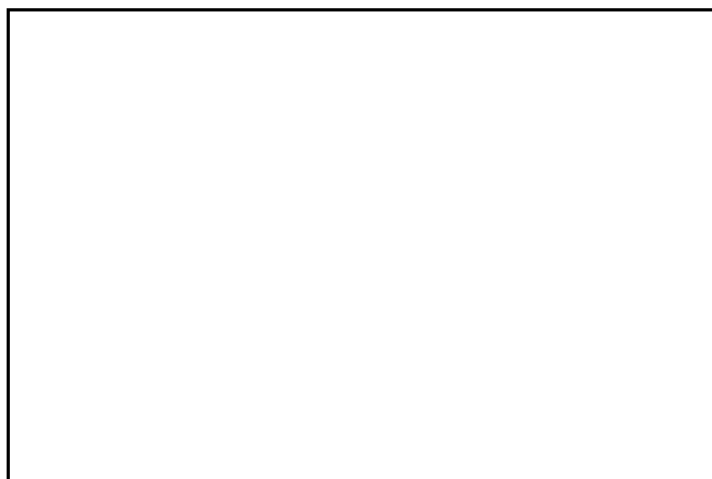


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2 February 1968
Proposal No. 18-27686-09

Subject: Proposal for Advanced Light Table

Gentlemen:

Offeror's proposal in triplicate is enclosed. The proposal includes cost breakdowns for the prototype development and manufacture, software preparation, and production estimates for 100 units. The prices for quantities of 75, 50, and 25 are also shown. In addition to the DD 633's, copies of the detailed analysis data developed by [redacted] are provided to support the production estimates. Although the prototype material costs appear unproportionately higher than production costs, the individual parts prices were used as a basis for the prototype estimates. This results from parts being selected to achieve lowest production cost, minimum weight and highest reliability. These factors are discussed at greater length in the technical proposal.

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The type of contract anticipated was not discussed in the RFP. Offeror suggests a Cost Reimbursement Contract with established incentive criteria. A 7% profit is proposed as a target. Delivery schedule improvement, cost improvement and achievement of design goals should be made a firm part of the contract incentive.

Since contract award is to heavily consider production feasibility of the offering, your office may be interested in incentive options offered by bidder to assure a production contract without compromising the Government's desire to seek competition. [redacted] will entertain a reduction in fee (a fixed part of the suggested incentive contract terms) if a production quantity results from our award and Government's acceptance of the engineering model.

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Declass Review by NIMA/DOD

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[redacted] sincerely appreciates the opportunity
to participate in this effort. Should you desire further information
please contact the undersigned or [redacted]

STAT

Very truly yours,

STAT

[redacted]
Director of Contracts

WmCS/mhm

cc: P. O. Box 6788 (2 sets)
Fort Davis Station
Washington, D. C. 20020